The Agricultural and Processed Food Products Export Development Authority of India (APEDA) & Ors v Syarikat Faiza Sdn Bhd

HIGH COURT (KUALA LUMPUR) — NOTICE OF MOTION NO D-251P-1 OF 2010
AZAHAR MOHAMED J
8 NOVEMBER 2010

Trademarks — Registered trademark — Expungement — Registration of 'PONNI' as trademark for 'rice' — Whether trademark entry made without sufficient cause — Whether entry wrongfully remaining on register — Whether registration justifiable under any limb of s 10(1) of the Trade Marks Act 1976 — Whether registration contrary to s 14(1)(a) of the Trade Marks Act 1976 — Whether use of 'Ponni' mark likely to cause confusion and mislead customers — Whether applicants were persons aggrieved and had locus standi under s 45(1)(a) of the Trade Marks Act 1976

Words and Phrases — 'Persons aggrieved' — Meaning, of — Trade Marks Act 1976 s 45

The first applicant was a statutory authority under the Government of India engaged in the development and promotions of exports of a variety of rice known as Ponni rice. The second applicant was an agricultural university in India. The third applicants were farmers and cultivators of Ponni rice in Tamil Nadu in India. The fourth and fifth applicants were rice exporters based in the State of Tamil Nadu in India. The respondent was a Malaysian company which traded in, distributed and supplied rice in Malaysia. On 6 June 2000, the respondent filed an application for the registration of the name 'PONNI' as a trademark (the 'PONNI' trademark) in relation to 'rice' under class 30 of the NICE International Classification of Goods at the Trade Registry. The respondent's application was allotted Trade Mark No 00007172 and was subsequently entered in the Trade Marks Register on 20 January 2006. By this notice of motion, the applicants sought, inter alia, an order that the Trade Mark Registration No 00007172 for the mark 'PONNI' in the name of the respondent be expunged and removed from the Register of Trade Marks, Malaysia. The applicants' application was premised on the ground the PONNI trademark was an entry made on the register without sufficient cause and/or an entry wrongfully remaining in the register. Ponni literally means 'Golden' in Tamil and was another name given to the Kaveri River in the Southern Indian

Peninsula. Ponni rice was named after and in tribute to the Kaveri Delta region in India where the particular variety of rice is grown.

Held, allowing the applicants' notice of motion with cost:

(1) The applicants were persons aggrieved and had the locus standi under s 45(1)(a) of the Trade Marks Act 1976 ('the Act') to take out the present action. The registration of the PONNI trademark was blocking the use of the name and mark Ponni by others who had trading interests in Ponni rice. The applicants' interests were and could further be negatively affected by the exclusive claim by the respondent over the PONNI trademark. Hence, singly and collectively the applicants were persons aggrieved under s 45 of the Act (see para 11); *McLaren International Ltd v Lim Yat Meen* [2009] 5 MLJ 741; [2009] 4 CLJ 749 followed.

(2) The word PONNI was not the name and the signature of the respondent within the meanings of s 10(1)(a) and (b) of the Act (see para 14).

(3) The respondent's application for the registration of the PONNI trademark was filed on 6 June 2000. Ponni rice was available for sale and consumption in India, Malaysia and in many countries around the world prior to 6 June 2000. Thus, as Ponni had a meaning as at 6 June 2000, namely as the name of a variety of rice originating from Southern India, and conveyed a particular idea, Ponni was therefore not an invented word as at 6 June 2000. Hence, the word PONNI was not an invented according to the meaning of s 10(1)(c) of the Act (see para 15).

(4) 'PONNI' was directly descriptive of a particular variety of rice originating from the Tamil Nadu Region in Southern India. The word PONNI did not qualify for registration under s 10(1)(d), as such registration would prevent others from legitimately using PONNI as a descriptor for a particular variety of rice originating from the Tamil Nadu region. The word PONNI, as on 6 June 2000, had become known as the name of a variety of rice from Tamil Nadu (see para 16).

(5) PONNI was not distinctive as a mark for rice according to the meaning of s 10(1)(e) read with s 10(2A) of the Act. PONNI was not an invented name and it was a descriptor of a particular variety of rice. Therefore the respondent was not entitled to rely on s 10(1)(e) to gain registration of the PONNI trademark (see para 17).

(6) A claim for the rice under the registration TM 0007172 meant that the respondent could use the mark PONNI on any variant of rice be it from any country. Thus, the registration of PONNI trademark if allowed to remain would effectively permit the respondent monopoly over the name Ponni in Malaysia in respect of rice and to use the name Ponni on any variety of rice from any country. The use of the mark Ponni by the respondent as a trademark or badge of origin for rice in general was likely

to cause confusion if the mark Ponni was applied to other varieties of rice. Consumers would be misled into buying rice which is not in fact the Ponni variety of rice originating from the region where Ponni rice originated. Therefore, the registration and use of the Ponni as a trademark was bound to cause confusion (see paras 24–25).

[Bahasa Malaysia summary

Pemohon pertama merupakan pihak berkuasa bagi Kerajaan India terlibat dalam pembangunan dan promosi eksport pelbagai beras dikenali sebagai beras Ponni. Pemohon kedua merupakan universiti pertanian di India. Pemohon ketiga merupakan petani-petani dan peladang-peladang beras Ponni di Tamil Nadu, India. Pemohon-pemohon keempat dan kelima merupakan pengeksport beras berasal dari Tamil Nadu, India. Responden merupakan syarikat Malaysia yang berdagang, mengedar dan membekal beras di Malaysia. Pada 6 Jun 2000, responden memfailkan permohonan untuk mendaftarkan nama 'PONNI' sebagai tanda dagangan ('tanda dagangan PONNI') untuk beras di bawah kelas 30 NICE International Classification of Goods di Pendaftaran Perdagangan. Permohonan responden diperuntukkan dengan Trade Mark No 00007172 dan kemudiannya dimasukkan ke dalam Pendaftaran Tanda Dagangan pada 20 Januari 2006. Dengan notis usul ini, pemohon memohon, antara lain, suatu perintah bahawa Trade Mark Registration No 00007172 bagi tanda 'PONNI' atas nama responden dipadamkan dan dikeluarkan daripada Pendaftaran Tanda Dagangan Malaysia. Permohonan pemohon-pemohon adalah berdasarkan bahawa tanda dagangan PONNI adalah kemasukan yang dibuat pada pendaftaran tanpa sebab yang mencukupi dan/atau kemasukan yang salah yang terkandung dalam pendaftaran. Ponni secara harafiahnya bermaksud 'Keemasan' dalam bahasa Tamil dan merupakan nama lain yang diberikan kepada Sungai Kaveri di Semenanjung India Selatan. Beras Ponni dinamakan sempena dan sebagai penghormatan kepada kawasan Delta Kaveri di India di mana beras tersebut ditanam.

Diputuskan, membenarkan notis usul pemohon-pemohon dengan kos:

(1) Pemohon-pemohon merupakan orang-orang yang terkilan dan mempunyai *locus standi* di bawah s 45(1)(a) Akta Cap Dagangan 1976 ('Akta') untuk memulakan tindakan ini. Pendaftaran tanda dagangan PONNI menghalang penggunaan nama dan tanda Ponni oleh pihak-pihak lain yang mempunyai kepentingan dagangan beras Ponni. Kepentingan-kepentingan pemohon-pemohon adalah, dan mungkin akan seterusnya terjejas dengan tuntutan eksklusif responden terhadap tanda dagangan PONNI. Oleh itu, secara perseorangan dan secara kolektif, pemohon-pemohon merupakan orang-orang terkilan di bawah s 45 Akta (lihat perenggan 11); *McLaren International Ltd v Lim Yat Meen* [2009] 5 MLJ 741; [2009] 4 CLJ 749 diikut.

(2) Perkataan PONNI bukanlah nama dan ciri tersendiri responden dalam maksud s 10(1)(a) dan (b) Akta (lihat perenggan 14).

(3) Permohonan responden untuk pendaftaran tanda dagangan PONNI difailkan pada 6 Jun 2000. Beras Ponni boleh didapati untuk penjualan dan penggunaan di India, Malaysia dan negara-negara lain di seluruh dunia sebelum 6 Jun 2000. Oleh itu, disebabkan Ponni telah mempunyai makna setakat pada 6 Jun 2000, iaitu sebagai nama sejenis beras berasal dari India Selatan, dan menyalurkan idea yang khusus, Ponni bukanlah perkataan yang direka setakat pada 6 Jun 2000. Maka, perkataan PONNI tidak direka menurut maksud s 10(1)(c) Akta (lihat perenggan 15).

(4) PONNI adalah deskriptif sejenis beras yang khusus berasal dari kawasan Tamil Nadu di India Selatan. Perkataan PONNI tidak melayakkan pendaftaran di bawah s 10(1)(d), kerana pendaftaran itu akan menghalang pihak-pihak lain daripada menggunakan PONNI secara sah sebagai penerang bagi sejenis beras khusus yang berasal dari kawasan Tamil Nadu. Perkataan PONNI, setakat pada 6 Jun 2000, telah dikenali sebagai nama sejenis beras khusus dari Tamil Nadu (lihat perenggan 16).

(5) PONNI bukanlah ciri-ciri tersendiri sebagai tanda bagi beras menurut maksud s 10(1)(e) dibaca bersama s 10(2A) Akta. PONNI bukanlah nama yang direka dan merupakan penerang bagi sejenis beras khusus. Oleh itu, responden tidak berhak bergantung kepada s 10(1)(e) untuk pendaftaran tanda dagangan PONNI (lihat perenggan 17).

(6) Tuntutan bagi beras itu di bawah pendaftaran TM 0007172 bermaksud bahawa responden boleh menggunakan tanda PONNI atas apa-apa jenis beras, walaupun dari mana-mana negara. Oleh itu, pendaftaran tanda dagangan PONNI jika dibenarkan kekal akan membenarkan responden memonopoli nama Ponni di Malaysia untuk beras dan menggunakan nama Ponni bagi apa sahaja jenis beras dari mana-mana negara. Penggunaan tanda Ponni oleh responden sebagai tanda dagangan atau simbol asal usul bagi beras secara amnya berkemungkinan akan mengakibatkan kekeliruan jika tanda Ponni digunakan ke atas jenis-jenis beras yang lain. Pengguna akan terpedaya membeli beras yang bukan daripada jenis Ponni yang berasal dari kawasan di mana Ponni berasal. Oleh itu, pendaftaran dan penggunaan Ponni sebagai tanda dagangan akan mengakibatkan kekeliruan (lihat perenggan 24–25).]

Notes

For cases on expungement of registered trademark, see 12 *Mallal's Digest* (4th Ed, 2005 Reissue) paras 2127–2142.

Cases referred to

'Bali' Trade Mark [1969] RPC 472, HL (folld)

Bata Ltd v Sim Ah Ba @ Sim Teng Khor & Ors (trading as Kheng Aik Trading) [2006] 6 MLJ 445; [2006] 3 CLJ 393, CA (refd)
In the matter of an Application by Smith Hayden & Coy, Ld [1946] 63 RPC 97, HC (folld)
McLaren International Ltd v Lim Yat Meen [2009] 5 MLJ 741; [2009] 4 CLJ 749, FC (folld)
Philippart v Williams Whitely Ltd (1908) 25 RPC 565, Ch D (refd)
Sunrise Sdn Bhd v First Profile (M) Sdn Bhd & Anor [1996] 3 MLJ 533, FC (refd)
The Eastman Photographic Materials Company, Limited v The Comptroller-General of Patents, Designs, and Trade-Marks [1898] AC 571, HL (refd)
Walton International Limited v Yong Teng Hing B/S Hong Kong Trading Co (Civil Appeal No W-02–685 of 2008) [TAB-19 RBA], CA (refd)

Legislation referred to

Trade Marks Act 1976 ss 10, 10(1)(a), (1)(b), (d), (e), 10(2A), 14(1), (1)(a), 45, 45(1), (1)(a)
Trade Marks Act 1983 [UK] s 11

Karen Abraham (LY Chew and Rajasekaran with her) (Shearn Delamore & Co) for the applicants.
S Adrian (A Devi and Rashidah with him) (Jasbeer, Nur and Lee) for the respondent.

Azahar Mohamed J:

THE PARTIES

[1] The Agricultural and Processed Food Products Export Development Authority of India (APEDA) ('the first applicant') is a statutory authority under the Government of India which is engaged in the development and promotions of exports of certain agricultural and processed food products from India, including, a variety of rice known as Ponni rice.

[2] Tamil Nadu Agricultural University ('the second applicant') is an agricultural university in India based in Coimbatore in the State of Tamil Nadu, India.

[3] Balasubramaniam and Palanysamy ('the third applicant') are farmers and cultivators of Ponni rice in Tamil Nadu in India.

[4] Visnukumar Traders Pvt Ltd and KK Imports and Exports (Indian Exporters) are rice exporters based in Chennai in the State of Tamil Nadu in India ('the fourth and fifth applicants').

[5] Syarikat Faiza Sdn Bhd ('the respondent') is a Malaysian company which trades in, distributes and supply rice in Malaysia.

[6] On 6 June 2000, the respondent filed an application for the registration of the name 'PONNI' as a trademark (the 'PONNI trademark') in relation to rice' under class 30 of the NICE International Classification of Goods at the Trade Registry. The respondent's application was allotted Trade Mark No 00007172 and was subsequently entered in the Trade Marks Register on 20 January 2006. The respondent has been using the PONNI trademark in its brand of rice under the name and style of 'BERAS TAJ MAHAL BERAS FAIZA HERBA PONNI'.

THE APPLICANTS' NOTICE OF MOTION

[7] By this notice of motion, the applicants are seeking, inter alia, the following prayers against the respondent:

(a) An order that the Trade Mark Registration No 00007172 for the mark 'PONNI' in the name of the respondent be expunged and removed from the Register of Trade Marks, Malaysia;

(b) In the event prayer 1 is granted, an order directing the Registrar of Trade Marks, Malaysia to rectify the Malaysian Register of Trade Marks by removing there from the whole entry relating to Trade Mark Registration No 00007172 and cause such fact of rectification and removal to be published in the Government *Gazette* forthwith after the order is served on the Registrar of Trade Marks, Malaysia.

[8] The applicants' application is premised on the ground the PONNI trademark is an entry made on the register without sufficient cause and/or an entry wrongfully remaining in the register. In this regard, s 45(1) of the Trade Marks Act 1976 ('the Act') provides:

> Subject to the provisions of this Act, the Court may on the application in the prescribed manner of any person aggrieved by the non-insertion in or omission from the Register of any entry or by any entry made in the Register without sufficient cause or by any entry wrongfully remaining in the Register, or by any error or defect in any entry in the Register, make such order for making, expunging or varying such entry as if thinks fit.

[9] Another relevant provision is s 10(1) of the Act, which provides the basis for registration of a trademark as follows:

> In order for a trade mark (other than a certification trade mark) to be registrable, it shall contain or consist of at least one of the following particulars:
>
> (a) The name of an individual, company or firm represented in a special or particular manner;
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> (b) The signature of the applicant for registration or of some predecessor in his business;
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> (c) An invented word or words;
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> (d) a word having no direct reference to the character or quality of the goods or services not being, according to its ordinary meaning, a geographical name or surname; or
>
> (e) Any other distinctive mark.

THE BACKGROUND FACTS

[10] Based on the numerous affidavits filed by the parties, in my view, the following facts have been established. Ponni literally means 'Golden' in Tamil and is another name given to the Kaveri River (also known as Cauvery River) in the Southern Indian Peninsula. Ponni rice was named after and in tribute to the Kaveri Delta region in India where the particular variety of rice is grown. Under ajaponica-indica hybridisation project under the International Rice Commission (1950) launched by the Food and Agricultural Organization for the whole of the Asian Region at the Central Rice Research Institute, Cuttack ('CRRI'), local rice varieties from Asian countries participating in the project were cross bred with japonica varieties introduced from Japan and grown at CRRI. A parallel scheme was launched by the Indian Council of Agricultural Research, Hyderabad ('ICAR'), for the Indian states whereby breeders from the Indian states participated in the japonica-indica hybridisation project. As a result of this project, a new variety of rice emerged. The new variety of rice was named PONNI by the applicant after and in tribute to the Cauvery, also known as PONNI, river in 1971 when it was released for cultivation after being evaluated and test-verified. Both Ponni and the Improved White Ponni (a spontaneous mutant variety which was derived from Ponni after further research and evaluation by the second applicant) have been notified under the Indian Seeds Act 1966 in the years 1975 and 1989 respectively. Ponni and its related variants, namely, Improved White PONNI and Athisaya PONNI (which were also derived from PONNI after further research and evaluation by the second applicant) are cultivated exclusively in the Tamil Nadu region in Southern India. The latter was released by the second applicant for cultivation in Tamil Nadu in 1998. The region where PONNI rice is cultivated and grown is the Kaveri, also referred to as PONNI, Delta Region, ie the region where the

Kaveri River flows. PONNI rice has been extensively and continuously cultivated, distributed, marketed, promoted and sold in India and worldwide since the first PONNI variety was released by the second applicant for cultivation in 1971. The volume of PONNI rice exported worldwide till the year 2008 was approximately 50,000 tonnes per year, primarily to Malaysia, Singapore, Hong Kong, UAE, Kuwait, Saudi Arabia, the US, Canada, Japan, UK, Germany, France, Australia, New Zealand and South Africa. PONNI rice has been imported into Malaysia since at least the 1990's. PONNI rice was previously imported into Malaysia by BERNAS, the rice importing agency appointed by the Government of Malaysia. BERNAS recognises the unique characteristics of PONNI and has been importing substantial volumes of PONNI rice into Malaysia. In a letter dated 18 August 2008 from the Minister of Agriculture and Agro-based Industry of Malaysia ('MOA') to the Indian Minister of Commerce and Industries, the MOA acknowledge that PONNI rice has been imported into Malaysia since at least the year 1997 and requested for further importation of PONNI rice into Malaysia. The letter also admits that PONNI is a specially processed rice variety that has been tested and proven to have a low glycemic index which is good for the management and control of diabetics and blood cholesterol. This specialty rice is recommended to diabetic patients and it has become a preferable choice of rice to most Malaysian. PONNI rice is known among the Indian Tamils in Malaysia, as well as other consumers, as a variety of rice originating from the Tamil Nadu region in Southern India. In Malaysia, several entities were licensed by BERNAS as distributors of imported Ponni rice, among them being:

(a) Dagang Mewah Sdn Bhd of 19, Batu 4, Jalan Qombak, 53000 Kuala Lumpur;

(b) Mohd Meera Sahib (M) Sdn Bhd of 116, Penang Street, 10200 Pulau Pinang;

(c) Modern Store (M) Sdn Bhd of 233, Jalan Tun Sambanthan, Brickfields, 50470 Kuala Lumpur;

(d) Chitra Spice Mart (M) Sdn Bhd of 23G, Jalan Thamby Dollah, Off Jalan Tun Sambanthan, Brickfields, 50470 Kuala Lumpur; and

(e) Pemborong & Peruncit Sabirah of 88, Main Road, Batu Gajah, 31000 Perak.

THE APPLICANTS ARE PERSONS AGGRIEVED

[11] The first question to pose would be this: whether the applicants are persons aggrieved and have the locus standi under s 45(1)(a) of the Act to take out the present action. First of all, I will quote the relevant provision that is relevant to the current discussion. Section 45(1)(a) of the Act in particular provides that the court may order the expunction of a registered trademark if

such an application was made by any person aggrieved by the non-insertion in or omission from the register of any entry or by any entry made in the register without sufficient cause or by any entry wrongfully remaining in the register, or by any error or defect in any entry in the register, make such order for making, expunging or varying such entry as it thinks fit. In this regard, the judgment of the Federal Court case in *McLaren International Ltd v Lim Yat Meen* [2009] 5 MLJ 741; [2009] 4 CLJ 749, represents the law on this subject as we apply today. In my judgment, based on the affidavit evidence before this court and applying the principles in *McLaren* case, the applicants are persons aggrieved and have the locus standi under s 45(1)(a) of the Act to take out the present action. My reasons briefly are as follows. The registration of the PONNI trademark is blocking the use of the name and mark Ponni by others who have trading interests in Ponni rice. The applicants' interests are and could further be negatively affected by the exclusive claim by the respondent over the PONNI trademark. The first applicant is tasked with, among others, the development of the Indian rice industry and promotion of rice grown in India. Trade Mark Registration No 00007172 grants exclusive rights to the respondent to the use of the PONNI as a trademark and could and would affect the ability of the first applicant to develop and promote the Indian rice industry in Malaysia and elsewhere. The second applicant is responsible for developing the PONNI rice variety, and is the author of the PONNI mark, and the third, fourth and fifth applicants are all stake, holders in the PONNI mark, and the exclusive rights granted to the respondent for the use of PONNI as a trademark in Malaysia could and would affect their ability to distribute and/or otherwise trade in PONNI rice in Malaysia and elsewhere. Hence, in my judgment, singly and collectively the applicants are persons aggrieved within the meaning of s 45 of the Act.

[12] I do not feel that further elaboration on this issue is necessary considering the fact that the respondent did not specifically in any of its affidavits plead that the applicants are not persons aggrieved within the meaning of that provision. In his way, the respondent is deemed to have accepted that the applicants are persons aggrieved (see *Sunrise Sdn Bhd v First Profile (M) Sdn Bhd & Anor* [1996] 3 MLJ 533).

SECTION 10 OF THE ACT

[13] Now, s 10 of the Act lays down the requirement in order for a trademark to be registrable. The provisions of s 10 are to be read disjunctively, and the satisfaction of any of the requirements under the provisions may qualify a mark for trademark registration, subject to the other provisions in the Act.

[14] I do not think it can be disputed that the word PONNI is not the name and the signature of the respondent within the meanings of s 10(1)(a) and (b) of the Act.

[15] Based on the affidavits evidence, it has been established that Ponni rice was released for cultivation in 1970's and introduced into the Malaysian market since at least in the year 1997. As stated earlier, the respondent's application for the registration of the PONNI trademark was filed on 6 June 2000. Evidently, Ponni rice was available for sale and consumption in India, Malaysia and in many countries around the world prior to 6 June 2000. For that reason, as Ponni had a meaning as at 6 June 2000, namely as the name of a variety of rice originating from Southern India, and convey a particular idea, Ponni is therefore not an invented word as at 6 June 2000 according to the definition of 'invented word' case law (see *The Eastman Photographic Materials Company, Limited v The Comptroller-General of Patents, Designs, and Trade-Marks* [1898] AC 571, *Philippart v Williams Whitely Ltd* (1908) 25 RPC 565 and *Bata Ltd v Sim Ah Ba @ Sim Teng Khor & Ors (trading as Kheng Aik Trading)* [2006] 6 MLJ 445; [2006] 3 CLJ 393). Hence, I conclude by saying that the word PONNI is not an invented according to the meaning of s 10(1)(c) of the Act.

[16] This brings me to the important issue whether the word PONNI has direct reference to the character and quality of a variety of rice. It is to be noted that s 10(1)(d) of the Act allows names which are not descriptive of the relevant goods to be registered as trademark. In *The Eastman Photographic Materials Company, Limited*, the court considered the qualification that a trademark must not have direct reference to the character and quality of the goods in question. In this regard, I have read in detail the affidavits and exhibits filed by both parties. I have also considered the consumer and trade survey commissioned by the applicants to determine the extent of consumer and trade recognition of name 'Ponni' in relation to rice. Having considered these affidavits carefully, I conclude that 'PONNI' is directly descriptive of a particular variety of rice originating from the Tamil Nadu Region in Southern India. The word PONNI does not qualify for registration under s 10(1)(d), as such registration would prevent others from legitimately using PONNI as a descriptor for a particular variety of rice originating from the Tamil Nadu region. In my view, the word PONNI, as on 6 June 2000, had become known in the trade and consumers, as the name of a variety of rice from Tamil Nadu. PONNI has become established as a varietals name for rice and could not have been distinctive solely of the respondent's goods as on 6 June 2000. I therefore conclude by saying that the name PONNI does not qualify for registration under s 10(1)(d) of the Act.

[17] It therefore follows, PONNI is not distinctive as a mark for rice according to the meaning of s 10(1)(e) read with s 10(2A) of the Act. I have already expressed my view that PONNI is not an invented name and that it is a descriptor of a particular variety of rice. Therefore the respondent is also not

entitled to rely on s 10(1)(e) to gain registration of the PONNI trademark.

SECTION 14 OF THE ACT

[18] So far I have dealt with the issues that none of the qualifying criteria for registration under s 10 of the Act has been satisfied.

[19] From this point, I move on to consider the contention of learned counsel for the applicants to the effect that the registration of PONNI as a trademark is prohibited by s 14(1) of the Act on the ground that the use of the said word is likely to deceive or cause confusion. That section specifies express prohibitions which would lead to an absolute bar to registration of a mark or part of the mark. Section 14(1)(a) of the Act provides that:

> A mark or part of a mark shall not be registered as a trademark if the use of which is likely to deceive or cause confusion to the public or would be contrary to law.

[20] In the recent Court of Appeal case of *Walton International Limited v Yong Teng Hing B/S Hong Kong Trading Co* (Civil Appeal No W-02–685 of 2008) [TAB-19 RBA], Ramly Ali JCA laid out the prohibition against registration under s 14(1)(a) in para 17 of His Lordship's written judgment as follows:

> ... The wording of the provisions shows that the prohibition for registration under s 14(1)(a) may fall under any of the three elements namely:
>
> (a) the use of it is likely to deceive;
>
> (b) the use of it is likely to cause confusion to the public; or
>
> (c) The use of it would be contrary to law.

[21] In deciding if the use of the PONNI mark will likely deceive or cause confusion, the following test laid down in *In the matter of an Application by Smith Hayden & Coy, Ld* (1946) 63 RPC 97 at p 101 and restated in *'Bali' Trade Mark* [1969] RPC 472 provides guideline. In that case, the applicant applied to register 'Ovax'. The opponent, who was the registered proprietor of the marks 'Hovis' and 'Ovi' objected. The court considered s 11 of the UK Trade Marks Act 1983 and said:

> Having regard to the reputation acquired by the name 'Hovis', the court satisfied that the mark applied for, if used in a normal and fair manner in connection with any goods covered by the proposed registration, will not be reasonably likely to cause deception and confusion amongst a substantial number of persons?

[22] Section 11 of the UK Trade Marks Act 1938, was in pari materia with s 14(1)(a) of the Act. Thus, the decision and the above test in *Smith Hayden* can be of guidance in Malaysia. In *'Bali' Trade Mark* it was held that the court has to be satisfied that there is a real tangible danger of confusion if the mark which is sought to register is put on the register.

[23] Applying the test to the case at hand, the question to be asked is whether Ponni if used in a fair and manner as a trademark by the respondent in the course of trade of rice, would the public be likely to be confused and deceived into thinking that the Ponni label used by the respondent is merely used as a description of the variety of rice?

[24] Now, a claim for the rice under the registration TM 0007172 would mean that the respondent can use the mark PONNI on any variant of rice be it from any country, including rice grown in Malaysia, Thailand or Indonesia. This would mean that the registration of PONNI trademark if allowed to remain and not cancelled would effectively permit the respondent:

(a) monopoly over the name Ponni in Malaysia, in respect of rice;

(b) to use the name Ponni on any variety of rice; and

(c) to use the name Ponni on any variety of rice fro any country

[25] As I have stated earlier, Ponni is recognisable in the trade and amongst consumer as the name of a variety of rice from the Tamil Nadu region. This point has already been made earlier but deserved to be repeated here. The PONNI trademark is for rice generally and there is no limitation as to how the respondent use the name PONNI under the registration. The use of the mark PONNI by the respondent as a trademark or badge of origin for rice in general is bound or likely to cause confusion if the mark 'PONNI' is applied to other varieties of rice. Consumers would be misled into buying rice which is not in fact the PONNI variety of rice originating from the region where PONNI rice originated. In this way, therefore, the registration and use of PONNI as a trademark is bound to cause confusion. I my view, there is a real tangible confusion if the mark PONNI remains in the register.

CONCLUSION

[26] Therefore, to sum it up, based on all the previous mentioned reasons, on the whole, I conclude that the entry of PONNI trademark under Trade Mark

Registration No 00007172 in the register of Trade Mark, Malaysia is an entry wrongfully made and wrongfully remaining in the register. Hence, I allow the applicants' notice of motion with cost.

Applicants' notice of motion allowed with costs.

Reported by Kanesh Sundrum